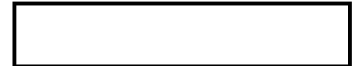




National  
Foreign  
Assessment  
Center

**Secret**



~~OK~~  
~~PK~~  
~~B7~~  
ME

25X1

# Egyptian Foreign Policy in the 1980s

An Intelligence Assessment

**Secret**

PA 81-10120  
March 1981

Copy 121

**Page Denied**



**National  
Foreign  
Assessment  
Center**

**Secret**

## **Egyptian Foreign Policy in the 1980s**

### **An Intelligence Assessment**

*Information available as of 17 March 1981  
has been used in the preparation of this report.*

The author of this paper is [redacted] Near East  
South Asia Division, Office of Political Analysis.  
Comments and queries are welcome and should be  
directed to the Chief, Near East South Asia Division,  
OPA, [redacted]

This paper was coordinated with the Office of  
Economic Research, the Office of Strategic  
Research, the Directorate of Operations, and the  
National Intelligence Officer for Near East South  
Asia. [redacted]

**Secret**

*PA 81-10120  
March 1981*

Secret

**Egyptian Foreign Policy  
in the 1980s****Key Judgments**

Egypt's principal foreign policy goals in the early 1980s are to complete the peace negotiations with Israel, preferably by achieving a breakthrough in the negotiations on Palestinian autonomy begun at Camp David; to end Egypt's isolation in the Arab world; and to solidify the benefits of close ties with the United States. To achieve these objectives, President Anwar Sadat hopes to exploit the changes in the Middle East produced by the Iran-Iraq war, Libya's occupation of Chad, and the elections in Israel and the United States.

Sadat's strategy is aimed at achieving a breakthrough in the peace negotiations later this year or early in 1982. Sadat hopes the Israeli elections in June will produce a Labor government that is more flexible than Prime Minister Begin's coalition. He opposes Labor's call for early Jordanian involvement in the talks, however, and hopes Labor will work toward a compromise in the negotiations. To keep pressure on Israel and the United States, Sadat will encourage greater West European involvement in the peace process.

While Sadat will avoid jeopardizing Israel's return of the rest of the Sinai in April 1982, he almost certainly will be prepared to jettison the normalization process after next April if he concludes that Israel is not sufficiently flexible. Egypt will not go to war, but Sadat could threaten to break relations with Tel Aviv to set the stage for improving ties with the Arabs.

Egypt has been able to establish discreet contacts with a number of other Arab states—including Saudi Arabia and Iraq—in the last year. The divisions in the Arab world caused by the Iran-Iraq war have given Sadat much greater room to maneuver with the other Arabs.

Cairo will press hard to expand these contacts with other Arab states and to reestablish its position as a leading force in the Arab world. Sadat will try to offer the other Arabs face-saving ways to restore ties with Egypt.

Egypt sees the Soviets and their radical Arab allies—especially Libya—as a major threat to Egypt's interests and security. Sadat is determined to halt Libyan expansionism in Africa and will probably increase support for anti-Libyan forces in Chad and other African countries. If he becomes sufficiently frustrated with Libyan leader Qadhafi or if Libya attacks Sudan, Sadat may decide to revive his plans for a military offensive into eastern Libya. Egyptian perceptions of US policy toward Libya will play a key role in Cairo's evaluation of the costs and benefits of such an attack.

Secret

25X

Sadat expects the United States to play a major role in achieving a breakthrough in the peace negotiations, and he wants the US to press Israel to make concessions on Palestinian issues. If he concludes that the United States is ignoring Egyptian interests or is unwilling to take a leading role in pursuing a Palestinian settlement, he may put greater distance between Egypt and the US. Sadat could, for example, rescind his offer to provide the United States with access to Egyptian military facilities

25X

Secret

Secret

## Egyptian Foreign Policy in the 1980s

### Sadat's Policymaking Style

President Anwar Sadat has guided Egyptian foreign policy since 1970 with his unusual flair for the dramatic. Against the advice of many Egyptians, he has frequently chosen to take enormous risks: the ouster of the Soviets in 1972, the war with Israel in 1973, the visit to Jerusalem in 1977, the peace treaty with Israel in 1979, and the welcome for the Shah in 1980.

Sadat's personality sets the tone for Egyptian foreign policy decisionmaking. He seems to search for ways to be unpredictable and enjoys playing a central role in world events. Egyptian accounts of the 1973 war and the trip to Jerusalem indicate that Sadat consults with many advisers but confides in only a few. He alone makes the critical policy choices, often after extended periods of solitary meditation. Sadat's advisers are not counsellors but assistants who carry out his decisions.



Liaison ©

Egyptian President Anwar Sadat

Sadat often bypasses the normal machinery for policy formulation. The Ministry of Foreign Affairs is occasionally kept uninformed of major policy decisions and of secret negotiations with other states. Sadat often prefers to use special emissaries such as presidential adviser Hasan Tuhami, who met secretly with then Israeli Foreign Minister Dayan in Morocco in early 1977 to set the stage for the trip to Jerusalem.

To gain Sadat's attention, the leaders of the Egyptian foreign policy bureaucracy frequently compete with each other. Vice President Moubarek—often used by Sadat for high-level consultations with other states—has proved adept at outmaneuvering rivals like former Defense Minister Jamasi and former Prime Minister Khalil. Moubarek is rumored to be engaged in a power struggle with intelligence chief Mahi and Sadat's increasingly influential Minister of State for Presidential Affairs Mansur Hasan.

Sadat tolerates the infighting among his lieutenants but does not permit disagreement with his policies. He does not welcome criticism and has been quick to remove advisers who disagree with him; former For-

eign Minister Fahmi, who opposed the Jerusalem initiative, is one example. Few of Sadat's close advisers from the 1973 war still have his ear. Those few who still are influential have not been allowed to develop a power base.

The Egyptian President is supremely self-confident. He firmly believes that his mission is to lead Egypt and bring peace to the Middle East. Sadat is a strategic thinker who dislikes details. He has a "big picture" mentality that encourages him to avoid involvement in the day-to-day affairs of the foreign policy apparatus. Instead he devotes his working day to issuing broad directives and making public appearances.

For Sadat, personal relations with foreign leaders are critical components of foreign policy. He values intimacy with key leaders, hoping that close relationships with other heads of state will help resolve troublesome substantive differences.

Secret

Sadat's approach to foreign affairs has differed markedly from that of his predecessor Jamal Nasser. The key difference has been the emphasis on Egyptian nationalism instead of pan-Arabism. Sadat was quick to change the country's name from the United Arab Republic to the Arab Republic of Egypt—a popular move at home. Sadat has appealed to Egypt's well-defined national consciousness and the Egyptians' traditional sense of superiority over other Arabs to support this new policy orientation. [REDACTED]

Sadat has not abandoned Arabism but has given it a lower priority. He has appealed for Arab solidarity rather than Arab unity—choosing to forsake Nasser's dream of a single Arab state for the more practical goal of leading a coalition of moderate Arab states. [REDACTED]

#### Foreign Policy Goals

Egypt's principal foreign policy goals in the early 1980s are to complete the peace negotiations with Israel and to rebuild the moderate Arab coalition that the peace treaty destroyed. Sadat is eager to expand the peace process to include other Arab states—and the Palestinians—in order to end Egypt's isolation in the Arab world, to reduce the danger of further anti-Egyptian Arab and Islamic sanctions, and to protect Egypt's agreement with Israel. [REDACTED]

In recent months the danger of additional sanctions has receded significantly. The other Arabs are diverted by the Iran-Iraq war, the Soviet invasion of Afghanistan, and Libyan expansionism in central Africa. The Egyptians hope to exploit the divisions in the Arab world caused by these events to improve ties with key states like Saudi Arabia, Iraq, and Morocco. [REDACTED]

The Egyptians fear that once Arab attention refocuses on the Arab-Israeli peace process, the hardliners, led by Iraq and Syria, may again push for tough anti-Egyptian sanctions. Sadat is not willing to gain Arab backing, however, at the cost of endangering the peace treaty. He is particularly determined not to give Israel a pretext for refusing to withdraw from the rest of the Sinai in April 1982. [REDACTED]

An equally important and closely related Egyptian goal is to prevent the spread of Soviet and radical Arab influence in the Middle East. The Egyptians believe the Soviets are engaged in a deliberate strategy of

subverting key countries in the Middle East and Africa by using local surrogates to gain control of the oil resources of the Persian Gulf. [REDACTED]

Sadat believes the Soviets see Egypt as a major barrier to their expansion. Libya, in his eyes, has increasingly been used by the Soviets as a base for subverting northern and central Africa. Sadat sees the Libyan occupation of Chad as aimed primarily at Sudan, which he has described as Egypt's strategic hinterland. Egypt has increasingly turned its attention to blocking the Libyans. [REDACTED]

The United States plays a key role in achieving Sadat's foreign policy objectives. Sadat expects the United States to provide leadership in the peace process and to press Israel to make concessions. He also expects the US to provide its Arab allies, especially Egypt, with the military and economic assistance to blunt Soviet expansionism. [REDACTED]

#### Israel and the Peace Process

Two years after signing the peace treaty with Israel, Egypt continues to postpone normalizing relations with Tel Aviv. Although the two countries frequently exchange high-level visitors and negotiating committees, they have made little progress toward removing the deep psychological barriers between them. [REDACTED]

Economic relations illustrate the nature of the overall dialogue. Transactions between the two countries in 1980 were limited almost exclusively to Egyptian oil exports to Israel—promised by Sadat at Camp David—and Israeli tourists visiting Egypt. Total Israeli oil imports from Egypt in 1980 amounted to an estimated \$750 million, while Israeli exports to Egypt amounted to at most a few million dollars. Some 30,000 Israelis visited Egypt in the first three quarters of 1980, while only 1,435 Egyptians traveled to Israel. [REDACTED]

The Egyptians see the pace of normalization as one of the few aspects of the peace process over which they have a great degree of control, and they are determined to extract concessions from Israel on other issues in return for improving bilateral ties. Israel's aggressive settlements policy, its efforts to strengthen its control of Jerusalem, and its hardline stance in the autonomy

Secret

Secret

negotiations encourage Egypt to move slowly in improving economic, political, and cultural relations. [REDACTED]

Sadat probably will dole out concessions to the Israelis periodically as a sign of his commitment to improved relations, but he is not likely to push reluctant Egyptian bureaucrats and businessmen to do more business with Israel until significant progress is made in resolving the Palestinian problem. At the same time, he will be careful to avoid giving Israel any excuse to renege on its commitment to return the rest of the Sinai by April 1982. [REDACTED]

The Egyptians do not expect substantial progress in the peace talks until after the Israeli national election on 30 June. Sadat has become increasingly frustrated with Prime Minister Begin and hopes that a more flexible Israeli government will emerge under the leadership of the Labor Party. [REDACTED]

Sadat is disturbed, however, by Labor's support for early Jordanian involvement in the peace negotiations. He distrusts King Hussein deeply and fears that premature Jordanian involvement would complicate the talks and even endanger the Egyptian-Israeli peace agreement. Sadat argues that neither Jordan nor the Palestine Liberation Organization should be brought into the talks until Egypt and Israel successfully conclude autonomy negotiations and implement their agreement. [REDACTED]

In Sadat's view, the autonomy talks are designed solely to end the Israeli military occupation of the West Bank and Gaza and to set up a temporary administration that can then negotiate with Israel. Sadat hopes that once a self-governing Palestinian authority exists in the occupied territories, Egypt can slowly withdraw from the peace process and let the Israelis, Palestinians, and Jordanians negotiate the future of the West Bank and Gaza. [REDACTED]

Like many Egyptians, Sadat has little personal commitment to the Palestinian cause. In contrast to Syria and Jordan, there are few Palestinians in Egypt—only some 50,000—and they play a negligible role in domestic Egyptian politics. Most Egyptians do

feel strongly about Jerusalem, however, and Sadat has consistently refused to recognize the legitimacy of Israel's annexation of the sections of the city controlled by Jordan before 1967. [REDACTED]

Sadat recognizes that Egypt can end its isolation in the Arab world only by achieving significant Israeli concessions for the Palestinians, and he zealously defends the Palestinians' right to self-determination. He has frequently criticized the Palestine Liberation Organization for failing to recognize the reality of Israel's existence, but he supports the PLO's claim of representing the Palestinian people. He has urged the PLO to form a government-in-exile and has promised to be the first to recognize such a government. [REDACTED]

The Egyptians are well aware that they have little means to press Israel to adopt a more flexible approach toward the Palestinians, and Cairo hopes the United States ultimately will force Tel Aviv to deal with the PLO. Once Israel returns the remainder of the Sinai in 1982, Sadat probably calculates that he will have more room to maneuver. [REDACTED]

It is unlikely that Sadat would go so far as to renounce the peace treaty, since Egypt is not prepared for the renewed hostilities with Israel which that renunciation would provoke. Sadat probably will be more willing to threaten a rupture in relations after April 1982 or take other moves to convince Israel to be more flexible on the Palestinian issue. [REDACTED]

### The Arab World

When Egyptian Minister of State Mansur Hasan announced in January that "1981 will be the year of the Arab-Egyptian dialogue," he reflected Sadat's hope that the Arab opposition to Camp David has cooled sufficiently to allow Egypt's reintegration into the Arab world. Cairo hopes that the Iran-Iraq war, the Soviet invasion of Afghanistan, and Libyan assertiveness in Chad will push Arab moderates, especially the Saudis, toward rapprochement with Egypt. [REDACTED]

Contacts between Egypt and the other Arabs were never fully severed. Privately most of the other Arabs have been willing to meet with Egyptian emissaries despite the boycott demanded by the Baghdad summit

Secret



Secret

in early 1979 (see table). Sadat takes comfort in the failure of the radical Arabs led by Syria and Libya to secure significant new sanctions against Egypt in the last year and a half. Both the Arab summit in Amman in late 1980 and the Islamic summit in Ta'if in early 1981 failed to result in new anti-Egyptian moves. Sadat has often noted that the economic sanctions adopted at the Baghdad summit have failed to harm the Egyptian economy [redacted]

In an effort to further improve ties with the moderate Arabs, Sadat has substantially abandoned—at least for now—his penchant for strident attacks on the Saudi monarchy. He will increasingly tailor his public comments to give the other Arabs face-saving ways to improve ties. [redacted]

It is unlikely that Sadat will succeed entirely in restoring Egypt's leading position in the Arab world in the near term unless there is a major breakthrough in the autonomy talks or an alternative negotiating framework is widely adopted. It is more likely that quiet contacts between Egypt and the moderate Arabs will develop on matters of mutual interest in the year ahead. [redacted]

#### The Palestinians and Jordan

The prospect of Sadat's success at improving ties with the other Arabs depends in large part on convincing the Palestinians that his peace efforts will work. Egypt has moved recently to improve and publicize its ties with the Palestine Liberation Organization to increase Sadat's options in the Arab-Israeli peace process. [redacted]

Egyptian-PLO relations were never fully severed following the signing of the Egyptian-Israeli peace treaty in March 1979. Despite a public break, Sadat continued to maintain discreet ties with the Palestinians both in the PLO and in the West Bank and Gaza through Egypt's interests sections in Amman and Beirut. A few Palestinian officials remained in Cairo. [redacted]

Since early January 1981 Sadat has moved to increase these contacts and publicize the relationship:

- On 11 January two Egyptian leftists met with PLO leader Arafat in Beirut and urged him to take a more flexible negotiating position. Egyptian officials have confirmed that the meeting was sanctioned by Sadat.

Table

#### Egyptian Diplomatic Representation in Arab League Countries

Embassy	Interests Sections	No Representative
Oman	Algeria	Libya
Somalia	Bahrain	South Yemen
Sudan	Djibouti	Syria
	Iraq	
	Jordan	
	Kuwait	
	Lebanon	
	Mauritania	
	Morocco	
	Qatar	
	Saudi Arabia	
	Tunisia	
	United Arab Emirates	
	Yemen	

- Foreign Minister Ali publicly urged the United States on 26 January to recognize the PLO and begin a dialogue with the Palestinian leadership.
- A PLO Executive Committee member, Ahmad Dajjani, visited Cairo in early February to meet with Egyptian officials.
- Sadat told the European Parliament on 10 February that he favors an Israeli-Palestinian dialogue.

After his trip to Europe, Sadat repeated earlier calls for the creation of a Palestinian government-in-exile. [redacted]

Sadat is attempting to improve his relations with the PLO to ensure that Egypt remains at the center of any new efforts mounted by the Arabs, the United States, Israel, or the West Europeans to deal with the Arab-Israeli problem. The Egyptian leader also hopes that his contacts with the PLO will counter efforts to bring Jordan into the negotiations and reduce Arafat's dependence on Syria. [redacted]

Secret

Secret

Sadat's suspicion of King Hussein began soon after his trip to Jerusalem, when the Jordanian monarch rebuffed Sadat's urgings that Amman join the peace process. The gulf grew wider after Camp David, when Hussein—who had not been consulted—refused to go along with the role envisioned for Jordan in the autonomy negotiations. [REDACTED]

Nonetheless, Egypt and Jordan have maintained a quiet dialogue about the peace process through their interests sections. Hussein has taken no action against the large Egyptian worker population in Jordan and has not pressed for new anti-Egyptian sanctions. [REDACTED]

#### Saudi Arabia and the Gulf Arabs

Since 1979 the Egyptians have seen Saudi Arabia as the key to their efforts to break out of their isolation. Sadat hopes to improve relations with Riyadh by focusing the Saudis' attention on the two countries' common interest in stemming Soviet and radical Arab and Islamic influence in the area. He has often promised to defend the Gulf states against Soviet and radical forces. In October 1980, soon after the start of the Iran-Iraq war, Sadat offered to defend Saudi Arabia against attack from Iran. [REDACTED]

Despite this effort, Sadat has failed to persuade the Saudis that the Camp David approach will solve the Palestinian issue, which Riyadh views as a fundamental cause of the radicalization of the Middle East. Sadat has failed to prevent the development of an Iraqi-Saudi rapprochement since the Baghdad summit, and this alliance has helped reduce Saudi dependency on Egypt for support against the radicals. [REDACTED]

The Egyptians have also failed to convince Riyadh to resume its financial aid to Egypt—which amounted to about \$1 billion a year before Camp David. The Saudis have refrained, however, from removing their deposits from the Egyptian Central Bank and have continued to permit private investment in Egypt and to allow the 300,000 Egyptian workers in the kingdom to send their remittances home. [REDACTED]

Since mid-1980 the Egyptians have succeeded in holding a series of discreet high-level discussions with the Saudis about the peace process and mutual security measures. These contacts have not convinced the Sau-

dis to support Sadat, but they probably helped to reduce the tension between the two states. Since June 1980 the propaganda war between Egypt and the Saudis has quieted. [REDACTED]

Egypt's relations with the smaller Arab states of the Gulf are cool, and significant improvement probably will come only after closer relations between Egypt and Saudi Arabia are restored. Egypt has interests sections in all the Gulf monarchies, a few Egyptian officers are still seconded to the United Arab Emirates, and Egypt has a handful of military advisers in Kuwait and Bahrain. [REDACTED]

Cairo has no representation in Marxist South Yemen and has sought to organize dissident groups opposed to the Aden regime. In February 1981 Cairo sponsored a meeting of Yemeni dissidents who were promised additional Egyptian aid—a move Sadat may hope will curry favor with the Saudis, who also oppose the South Yemeni Government. South Yemen in turn is the site of the clandestine Voice of Egypt, which frequently broadcasts Egyptian Communist Party communiques. [REDACTED]

The Egyptians have good relations with Oman. In November 1980 Vice President Moubarek visited Oman, and an Omani military delegation traveled to Cairo in December to discuss increased military coordination. Egypt has provided some military equipment to Oman. [REDACTED] Oman has also served as a broker for Egyptian contacts with Saudi Arabia and Iraq. [REDACTED]

Secret

Secret

**Iraq and Iran**

Egypt's relations with the Baathist regime in Baghdad—always competitive—deteriorated sharply after the Camp David agreements as Iraq took the lead in pressing the Arab campaign against Sadat. Iraq is still in the forefront of efforts to suspend Egypt's membership in the nonaligned movement and other international bodies and has maintained ties with several prominent anti-Sadat Egyptian dissidents, including Mohammad Haykal, a prominent journalist of the Nasir era. Despite this hostile relationship, the Iraqis have retained some contacts with the Egyptians and have not acted against the estimated 300,000 Egyptian workers in Iraq [redacted]

The Egyptians have been alarmed by the rise in Iraqi influence in the Arab world since late 1978, especially because the Saudi tilt toward Baghdad has come at Cairo's expense. At the start of the Iran-Iraq war the Egyptians were worried that the Iraqis would score an easy victory and gain further influence. Iraq's failure to win such a victory and the subsequent stalemate on the battlefield have pleased Sadat [redacted]

The Iraqis have been pressed by the war to adopt a more flexible approach to Egypt. In January 1981 Baghdad increased the size of the Egyptian interests section. In February Baghdad requested Egyptian military aid to fight Iran. [redacted]

[redacted] How far Iraq is prepared to go toward a political rapprochement, however, is unclear. [redacted]

Better Iraqi-Egyptian ties would benefit Baghdad in several ways.

- Iraq needs broad Arab political support for a prolonged conflict with Iran.
- The Egyptian ability to produce munitions for Iraq's Soviet equipment would offset Moscow's stinginess.
- Improved ties with Egypt would please Baghdad's new, conservative Arab allies.
- A working relationship with Egypt would increase Iraq's ability to influence the Arab-Israeli peace process. [redacted]

[redacted] Sadat makes no secret of his hope that



Egyptian Gazette

Sadat and Reza Pahlavi, son of the late Shah of Iran [redacted]

Ayatollah Khomeini will be overthrown. The Egyptians are deeply concerned that the Soviets will steadily gain influence in Iran and that a pro-Soviet regime may ultimately supplant the Ayatollah. As a result, they have urged the United States and other countries to back Khomeini's Western-oriented opponents. [redacted]

**Syria**

Syria is the Arab country that feels most betrayed by Sadat's treaty with Israel. In Damascus' view the treaty constitutes desertion of an ally and has left Syria isolated against Israel. The Camp David agreement is seen as the culmination of a series of "traitorous acts" by the Sadat government, beginning with the unilateral cease-fire at the end of the 1973 war and including the second Sinai disengagement accord of 1975. [redacted]

The Egyptians in turn see President Assad as a short-sighted leader unwilling to take risks for peace because of his weak domestic political position. Sadat is fond of pointing out that Assad is a member of the minority Alawite Muslim sect, which dominates Syrian politics. [redacted]

The Syrians have been the principal sponsor of the largest anti-Sadat exile opposition movement, led by Saad al-Shazli, Egyptian chief of staff during the 1973

Secret

Secret

war. Shazli has thus far failed to develop a sizable constituency in Egypt. Syria has also sponsored several abortive terrorist attacks against Egyptian leaders and Egyptian diplomats abroad. These attacks have had little impact on Egyptian policy, however, and Syria has recently turned its attention away from Egypt and toward its disputes with Iraq and Jordan. [REDACTED]

The Syrians have accused Sadat of supporting anti-Assad dissidents, especially the Muslim Brotherhood, which leads the Sunni Muslim opposition to Assad. Although there is no good evidence of Egyptian Government aid to the Brotherhood, it appears that Sadat does not interfere with the efforts of Egyptian members of the Brotherhood who openly back their Syrian counterparts. [REDACTED]

#### Libya and Sudan

Libyan leader Muammar Qadhafi has been Sadat's principal enemy since the mid-1970s. Relations between the two leaders have always been stormy because of Qadhafi's desire to succeed Nasir as the paramount leader of the Arab world and his aggressive efforts to export his "Green Revolution" to the rest of the Islamic world. After an unsuccessful effort at unification in the early 1970s, Libya and Egypt have clashed over the conduct of the 1973 war, the 1974 and 1975 Sinai agreements, Sadat's trip to Jerusalem, and the Camp David agreements. [REDACTED]

The antagonism briefly flared into open fighting in July 1977, when Sadat provoked a Libyan attack. The weeklong war was inconclusive and very unpopular in Egypt. Few Egyptians are eager to fight Libya. [REDACTED]

In the last few years Sadat has come to see Qadhafi as a pawn of the Soviet Union. Sadat believes the Soviets are using Libya as a base for subverting both Africa and the Middle East. Sadat is particularly alarmed by Libyan and Ethiopian efforts to subvert Sudan, Egypt's closest and most important ally in Africa. [REDACTED]

Libya's success in occupying northern Chad in late 1980 especially worried Cairo. The Libyan presence in Chad is seen as a direct threat to Sudan, especially the traditionally ignored and depressed western part of that country, which Sadat believes is vulnerable to Libyan subversion. [REDACTED]



Libyan leader Qadhafi, Sadat's nemesis [REDACTED]

Egypt has significantly increased its aid to Hissein Habre's anti-Libyan Chadian dissidents based in Sudan in hopes of getting the Libyans bogged down in a prolonged guerrilla war. The Egyptians have sent infantry weapons and ammunition to Habre's forces and coordinated their aid with that from Morocco, France, and Sudan. [REDACTED]

Sadat has also repeatedly warned that Egypt will send forces to Sudan if Libya attacks Sudan or Habre's bases in Sudan. Egyptian forces aided President Nimeiri in crushing a coup attempt in 1971, and the two countries signed a mutual defense pact in 1976 after another coup attempt backed by Libya. Sudanese officers train at Egypt's war college, and some 100 Egyptian advisers are training Sudanese air force, air defense, and armored units. Sudan plans to send an ambassador to Cairo soon, replacing one recalled in early 1980 to protest the Egypt-Israel peace treaty. [REDACTED]

Sudanese-Egyptian relations are troubled, however, because of Nimeiri's need to placate his Saudi financial backers, who are uneasy with Khartoum's quiet support for the Camp David process. Moreover, the Sudanese often believe Sadat takes them for granted

Secret

Secret

and treats them as inferiors who must follow the Egyptian lead. Sadat, for his part, has not always been sensitive to Khartoum's delicate balancing act with the Saudis [REDACTED]

If Libya moves against Sudan, Sadat could respond with a direct military move across the Egyptian-Libyan border. The Egyptian President has considered such a move in the past only to be dissuaded in part by the arguments of his generals, who fear that Egypt lacks the logistical base to launch an operation deep into Libyan territory. Since 1977 Egypt has steadily improved its forces in the Western Military District that borders Libya. Some 80,000 Egyptian troops are stationed in the area, and Cairo is slowly building up its infrastructure near the border to support additional forces. [REDACTED]

In the event of a move into Libya, Egyptian forces probably would be able to defeat Libyan forces along the border, but they would be unable to push deep into the country and topple the Qadhafi regime. Sadat would be in danger of getting bogged down in a war with another Arab leader, a war that would probably become increasingly unpopular both with the other Arab states and with his own people. [REDACTED]

The Egyptians provide some support for anti-Qadhafi exiles, many of whom live in Cairo. In December 1980, for example, Egyptian newspapers announced the formation of a Libyan National Association, which was supposed to serve as an umbrella group for several anti-Qadhafi groups. So far, however, the Egyptians have failed to persuade the diverse elements of the Libyan opposition to work together. [REDACTED]

Qadhafi has long sponsored anti-Sadat activities in Egypt and has been implicated in efforts to assassinate the Egyptian leader. Libya has been a major supporter of dissident leader Shazli and probably provides aid to some of the more extreme Islamic groups in Egypt. To counter the Libyan threat Sadat declared martial law in the Western Military District in June 1980 after it was lifted in the rest of the country following the peace treaty with Israel. [REDACTED]

Sadat probably will continue to seek a way to dispose of his Libyan enemy. There is evidence, however, that Qadhafi would like to improve relations. Press reports suggest Libya may be willing to reduce forces along the border if Egypt does the same, and there have been some quiet contacts between Tripoli and Cairo. The Libyan leader may hope to quiet tension with Egypt to allow Libya to devote more resources to Chad. [REDACTED]

The differences between the two leaders are too deep to be resolved over the long term although they might be temporarily masked. A temporary reduction in tensions might aid Sadat's efforts to ease Egypt's isolation, and improve his domestic standing with Islamic fundamentalists [REDACTED]

In the past Sadat has been constrained from attacking Libya by opposition from Washington, Moscow, and key Arab countries. He may conclude in the future, however, that the United States has no choice but to back Egypt and will prevent a hostile Soviet reaction. He could also calculate that Tripoli is so isolated in the Arab world that no Arab leader would seriously support Qadhafi against Sadat and that key states like Saudi Arabia would be neutral. [REDACTED]

#### **Egypt's African Role**

To counter Libyan activities in Africa and Soviet support for radical regimes like that in Ethiopia, Sadat in recent months has taken a more active interest in African affairs. The Egyptians have sought to convince the other Arab nations in north Africa—Algeria, Tunisia, and Morocco—that Libya threatens their interests as well as those of Egypt and Sudan. [REDACTED]

Cairo has had modest success in persuading Algeria and Morocco to initiate a dialogue with Egypt on Libya. [REDACTED]

Algeria upgraded the Egyptian interests section in Algiers to the consular level in October 1980. Neither Morocco nor Algeria seems willing to openly associate with Egypt, however, so long as the Palestinian issue is unresolved. [REDACTED]

Secret

Secret

Sadat has had more success in black Africa, where the Arab-Israeli issue has less impact. The Africans have generally sided with Egypt in the nonaligned movement and opposed Iraqi efforts to oust Egypt. Egypt's leading role in opposing Qadhafi has become more popular since Libya overran most of Chad in late 1980.

The Egyptians have developed military ties with several moderate African regimes interested in opposing Soviet and Libyan activities:

- Since 1978 Egypt has provided Somalia with about \$100 million in military aid including MIG-21 jet engines, ground and air defense weapons, and ammunition.
- In February 1980 Egypt signed a technical military cooperation agreement with Zaire. It is currently training Zairians in Egypt and has sent a few advisers to Zaire.
- Cairo gave several T-54 tanks to Togo in January.

More limited military assistance has also been given to Zambia, Tanzania, Ghana, and other African countries.

#### The Soviets and China

Egypt's relations with Moscow have worsened steadily since Sadat took power. They reached a new low in January 1980, when Sadat expelled the remaining Soviet and East European military advisers in Egypt, closed their consulates and cultural centers, and ordered the Soviets to reduce their diplomatic presence in Cairo to a handful of officials. Relations remain at the charge level.

These moves reflect Sadat's deep concern about Soviet meddling in Egypt's domestic politics. Ever since he foiled a challenge to his leadership from a pro-Soviet faction of the Egyptian leadership in May 1971, Sadat has been convinced that the Soviets want to remove him from power. Soviet officials are often expelled from Egypt for alleged involvement in subversive activities.

The Soviet invasion of Afghanistan, recent Soviet friendship treaties with Syria and South Yemen, and Libya's activities in Chad have all contributed to Sadat's increasing concern about Soviet intentions. The

Egyptians have taken a leading role in opposing the Soviet presence in Afghanistan and have publicly offered the Afghan insurgents arms and training.

Sadat has been careful to leave open the possibility of a limited improvement in Egyptian-Soviet relations if the Soviets wish it. In a May 1980 speech, for example, Sadat said Egypt would reply to any Soviet initiative for improved relations. Nonetheless, the Egyptians almost certainly do not expect a fundamental shift in Soviet policy toward Egypt and the Camp David agreements.

As relations with the Soviets have deteriorated, Sadat has sought to improve ties with China. The Egyptians have been particularly interested in military ties to offset the loss of Soviet equipment and spare parts. China is now Egypt's second most important arms supplier.

Cairo has received some 90 F-6 fighter aircraft from Beijing, two batteries of surface-to-air missiles, naval missiles, and spare parts. The Chinese have also promised to provide aid for the Egyptian navy and may sell Egypt additional aircraft.

#### Implications for the United States

The United States plays a critical role in Sadat's planning, and Sadat expects Washington to take a very active role in the Arab-Israeli peace process and in Middle East security affairs. His expectations of the United States are very high—he is fond of saying that the US controls 99 percent of the cards in the Arab-Israeli conflict.

Sadat is always uneasy when there is a new administration in Washington. He is said to have been particularly alarmed last year by press reports that the new United States administration favored the "Jordanian option" and would pay less attention to Egypt. The Egyptians have also been alarmed by reports that the US will pay less attention to the peace negotiations than it has in the past.

Sadat believes it is essential to establish a close

Secret

Secret

personal relationship with President Reagan. [ ]  
[ ] Sadat believes that an early meeting with Reagan is essential to Sadat's prestige in the Middle East because of the Egyptian President's close identification with the "American connection."  
[ ]

Sadat expects the United States to move quickly toward reviving the peace process once the Israeli election is over and a new government is in place in Tel Aviv. He is prepared to be patient, but he will be sensitive to signs that the US is ignoring the Arab-Israeli problem. Sadat's trip to Western Europe in February and his public endorsement of the European peace initiative were meant in part to warn the US that Egypt has alternatives to US support [ ]

The Egyptians prefer that the United States not move away from the substance of the Camp David agreements and that the US make successfully concluding the autonomy negotiations its highest priority. Sadat expects the US to press Israel to be more flexible on Palestinian issues like water and land rights in the West Bank, curtailing settlement activity, and including Jerusalem in the negotiations. [ ]

Sadat is prepared to be flexible. He is probably willing to abandon the symbolism associated with Camp David if the substance is retained, and he may be willing to accept early Jordanian involvement if the United States endorses such an approach. He will want US assurances, however, that bringing Jordan into the deliberations would not reduce Egypt's primary role in the negotiations and with the United States. [ ]

The Egyptians are also troubled by other potential irritants in the "American connection." Although Sadat is eager for an increased US military presence in the Middle East, he is concerned about the domestic political costs of too close an identification with the United States. Sadat has been careful to make clear that he will not give the US bases in Egypt, especially in the Sinai, and that he is offering only the use of Egyptian facilities. The Egyptian Government is worried that the United States will push for more permanent military presence in Egypt [ ]

The Egyptians also want the United States to continue to provide substantial economic assistance, and they have been concerned about reports that foreign aid may be reduced. Cairo wants increased US aid, especially more military equipment to replace obsolete Soviet equipment. [ ]

Sadat believes he has taken enormous risks in the peace negotiations which have benefited the United States. In return he expects the United States to give Egyptian concerns and interests a high priority—on a par with those of Israel. [ ]

If Sadat comes to believe that the United States is ignoring his concerns and not taking an active role in ending the stalemate in the peace talks, he may move to put greater distance between Egypt and the United States. He could, for example, retract or restrict his offer of military facilities or jettison the dialogue with Israel after April 1982. Sadat could also give greater support to West European peace initiatives. For the near term, however, such actions do not seem likely [ ]

25X1

25X1

25X1

25X1

25X1

25X1

25X1

25X1

25X1

25X1

Secret

**Secret**

Approved For Release 2007/05/22 : CIA-RDP06T00412R000200150001-2

**Secret**

Approved For Release 2007/05/22 : CIA-RDP06T00412R000200150001-2